

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop S2-14-26  
Baltimore, Maryland 21244-1850



Center for Medicaid and State Operations  
Disabled and Elderly Health Programs Group (DEHPG)

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September 27, 2002.

Ms. Linda K. Wertz, Medicaid Director  
Texas Health And Human Services Commission  
P.O. Box 13247  
Austin, Texas 78711

Dear Ms. Wertz:

This letter is to inform you that the Centers for Medicare and Medicaid Services (CMS) is approving, your request to renew the State of Texas Access Reform (STAR) Plus Medicaid Managed Care Program in the Harris County under the authority of Section 1915(b)(1), Section 1915(b)(2), Section 1915(b)(3), and Section 1915(b)(4) of the Social Security Act (the Act). This approval provides for the waiver of the following sections of the Act: 1902(a)(1) Statewideness, 1902(a)(10)(B) Comparability of Services, and 1902(a)(23) Freedom of Choice.

We have based this decision on the submitted evidence showing that the State's waiver program will continue to be consistent with the purpose of the Medicaid program, improve beneficiary access, enhance quality of care, and be a cost-effective means of providing Medicaid services to the Medicaid beneficiaries in the waiver area. However, please note that this approval is contingent on the following terms and conditions:

1. The State will provide documentation within one year that the methodology used to provide for the additional costs of unlimited drug prescriptions under the waiver is actuarially sound.
2. The State will review complaints and grievances and track those cases involving children identified in categories 1, 3, 4, and 5 of the BBA definition of CSHCN enrolled in the MCOs. (A manual review is acceptable.) On an annual basis, the State will report to CMS the number of complaints and grievances for these groups, and submit an analysis, stratified by group, of type and number of complaints and grievances filed, and information regarding their resolution.

Approval of this request grants Texas waiver authority for the period of two years, from October 1, 2002 to September 30, 2004. The State may request that this authority

be renewed and should submit its request for renewal 90 to 120 days in advance of the expiration date.

If you have any questions, please contact Gregg Ukaegbu at CMS' Central Office at (410) 786-5133 or Bobbie Sullivan at CMS' Dallas Regional Office at (214) 767-6391. We wish you continued success in the operation of this program for Medicaid beneficiaries in Texas.

Sincerely,

/s/

Theresa Pratt  
Director

CC: Calvin Cline, ARA, Dallas TX